

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

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MEMORANDUM

TO: MHFA Retirement Board

FROM: John W. Parsons, Esq., Executive Director

RE: Approval of Funding Schedule

DATE: July 16, 2019

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made on July 1 of each fiscal year. The schedule is effective in FY20 and is acceptable under Chapter 32.

The revised schedule reflects a reduction in the investment return assumption from 7.50% to 7.25%.

If you have any questions, please contact PERAC's Actuary, John Boorack, at (617) 666-4446, extension 935.

JWP/jfb

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MASSACHUSETTS HOUSING FINANCE AGENCY RETIREMENT SYSTEM
FUNDING SCHEDULE with 3(8)(C) - 7 years: 0 % amortization
7.25% Discount Rate

| Fiscal Year | Normal Cost | Unfunded Liability | Funding | | Schedule Contribution |
|----------------|----------------|-----------------------|-------------------------|-------------------------|--------------------------|
| | | | Amortization of UAAL | Net 3(8)(c) Payments | |
| 2020 | 1,256,062 | 52,475,138 | 9,158,007 | (383,402) | 10,030,667 |
| 2021 | 1,306,304 | 46,457,624 | 9,158,007 | (383,402) | 10,080,909 |
| 2022 | 1,358,557 | 40,003,839 | 9,158,007 | (383,402) | 10,133,162 |
| 2023 | 1,412,899 | 33,082,156 | 9,158,007 | (383,402) | 10,187,504 |
| 2024 | 1,469,415 | 25,658,650 | 9,158,007 | (383,402) | 10,244,020 |
| 2025 | 1,528,191 | 17,696,940 | 9,158,007 | (383,402) | 10,302,796 |
| 2026 | 1,589,319 | 9,158,007 | 9,158,007 | (383,402) | 10,363,924 |
| 2027 | 1,652,892 | | | (383,402) | 1,269,490 |

Amortization of Unfunded Liability as of July 1, 2019

| Year | Type | Original Amort. | Percentage | Original # | Current Amort. | Years |
|------|-------------|-----------------|------------|------------|----------------|-----------|
| | | Amount | Increasing | of Years | Amount | Remaining |
| 2020 | Fresh Start | 9,158,007 | 0.00% | 7 | 9,158,007 | 7 |